

In the United States District Court
For The Southern District of Texas
Galveston Division

Malin International	§	
Ship Repair & Drydock, Inc.	§	
Plaintiff	§	
v.	§	Civil Action No. 3:13-cv-00039
	§	
MODU PROSPECTOR, its apparel,	§	Admiralty 9(h)
equipment, engines, freights, tackle,	§	
etc., <i>in rem</i> and Plant Recovery	§	
Company/PRC Environmental, Inc.	§	
Defendants	§	

**ORDER CONFIRMING THE JULY 15, 2013 JUDICIAL
SALE OF THE MODU PROSPECTOR**

Having considered Plaintiff Malin International Ship Repair & Drydock, Inc.'s ("Malin") motion to confirm the July 15, 2013 judicial sale of the MODU PROSPECTOR (IMO# 8753213), her apparel, equipment, engines, freights, tackle, and all other appurtenances of the rig at the time of the sale (the "PROSPECTOR"), the Court finds that there is no evidence of fraud in connection with the judicial sale, collusion, or gross inadequacy of price. The Court finds that Malin's Motion is well taken and should in all things be GRANTED. It is therefore,

ORDERED, ADJUDGED, AND DECREED that:

1. The July 15, 2013 judicial sale of the PROSPECTOR for the \$1,001,000 credit bid by Malin is hereby confirmed and ownership of the PROSPECTOR is transferred to Malin, AS IS WHERE IS WITH NO WARRANTIES, and free and clear of all liens claims, and encumbrances; and
2. The United States Marshal for the Southern District of Texas is directed to issue a bill of sale to Malin conveying ownership of the PROSPECTOR to Malin, AS IS WHERE IS WITH NO WARRANTIES, and free and clear of all liens, claims, and encumbrances to Malin; and
3. The bill of sale shall, however, include as an attachment the appended Exhibit-1-Page 1 of 1, limiting Malin's use and sale of the PROSPECTOR for Direct Drilling Service; and
4. The PROSPECTOR shall be released from the custody of the appointed substitute custodian once the bill of sale is issued and delivered to Malin.

Signed this 1st day of August, 2013.

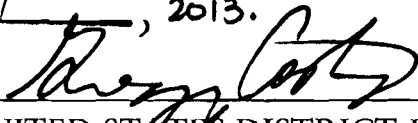

UNITED STATES DISTRICT JUDGE

Exhibit 1—Page 1 of 1

THIS DOCUMENT OR LANGUAGE (DOCUMENT) SHALL BE ATTACHED, AND REFERRED TO, IN ANY FINAL BILL OF SALE RESULTING FROM THE JULY 15, 2013 MARSHAL'S SALE OF THE MOBILE OFFSHORE DRILLING RIG KNOWN, AS OF JULY 15, 2013 AS *MODU PROSPECTOR* (RIG).

1. Drilling Ban – This Rig may not be used in Direct Drilling Service:

- a. Buyer Malin International Ship Repair & Dry Dock (“Malin”), represents, warrants, and agrees that it is purchasing the Rig for use *other than Direct Drilling Service* which is defined as using the Rig as a platform for the actual conducting of drilling and drill string operations. (This term does not preclude use of the Rig in a general oilfield support role such as a floatel); and
- b. Malin represents, warrants, and agrees that it will not place the Rig in Direct Drilling Service.

2. Mandatory notification of future buyers of the Drilling Ban (and of this Document):

- a. Should Malin at any time agree to sell the Rig, Malin agrees to refer to this Document—and attach this Document in its entirety—in any agreement of sale, as a condition of such sale, in order to provide notice of the Direct Drilling Service prohibition to any future purchaser. Malin also agrees to notify Diamond Offshore Services Company (Diamond) prior to any sale (via Diamond’s registered agent and via Dobrowski, Larkin, & Johnson LLP).

3. Consideration for the Drilling Ban:

- a. Malin agrees that one of the considerations for the sale of the Rig, includes but is not limited to the consent of Diamond to the sale of the Rig; and
- b. Malin agrees that Diamond would not consent to the sale of the Rig—unless Malin agrees, as Malin does here, to all the terms of this Document.

4. No Further Liability:

- a. Diamond agrees that Malin’s only obligation is not to put the Rig in Direct Drilling Service and insure any purchaser to which it may sell the Rig is aware of this notice and contained restriction; and
- b. Upon Malin’s provision of such notice in the form of this document to any subsequent purchaser, Malin shall have no legal liability to Diamond or any related or affiliated companies or entities related to any subsequent purchaser’s use of the Rig.